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C O N F I D E N T I A L NICOSIA 000112

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SUBJECT: SOLUTION SKEPTIC DIKO STAYS IN COALITION

REF: NICOSIA 91

Classified By: Ambassador Frank C. Urbancic for reasons 1.4(b) and 1.4(d)

1.(C) SUMMARY: The Central Committee of the Democratic Party (DIKO), President Christofias' only remaining coalition partner, decided by a large majority to remain in the government despite stark disagreement with Christofias' Cyprus negotiation tactics and proposals. Christofias reportedly promised DIKO a seat in the negotiating team, but did not agree to retract proposals objectionable to DIKO. The party, however, still threatened withdrawal from the governing coalition should the talks produce an "unacceptable" solution plan. Following socialist EDEK'S decision two weeks ago to leave the coalition, the tiny Green party also withdrew its political support for Christofias. Despite the vote, we expect more friction between Christofias and the hard-line, ultimately anti-solution DIKO.

## DIKO STAYS PUT, FOR NOW

- 12. (U) Following days of public back and forth, DIKO's Central Committee on February 23 supported party leader Marios Garoyian's decision to stay in the government. The hopes of hard-liners, spearheaded by Deputy Leader George Colocassides and Vice President Nicolas Papadopoulos, were crushed by Garoyan's 73% vote of support. The DIKO leader had quashed a similar protest with a strong Central Committee vote in June 2009.
- 13. (SBU) To strengthen his hand, Garoyian reportedly extracted certain unknown negotiations-related commitments from President Christofias. Christofias reportedly promised, in writing, to allow a pro-DIKO member on his negotiating team, but stopped short of explicitly promising a retraction of his proposals (DIKO categorically rejects the core of Christofias' compromises: rotating presidency and the right of 50,000 Turkish "settlers" to remain on the island post-settlement). Instead, Christofias reportedly wrote in a letter to Garoyian that the negotiators are at liberty to enrich, reformulate or replace proposals, while emphasizing the basic principle of the talks that "nothing is agreed until everything is agreed." Press reports suggest that DIKO will not claim either of the two cabinet seats vacated after EDEK's withdrawal (see reftel) to preempt criticism that the party remained in the government merely for the spoils.
- 14. (SBU) Addressing the Central Committee, Garoyian stressed that DIKO wished to remain in the government in order to play a "regulating" role on Christofias. He noted, however, that he did not endorse the "well-known" proposals of Christofias and reserved the right to disagree. Similarly, the press spokesman of the party, Photis Photiou, told newsmen after the meeting that the decision to stay did not constitute

"carte blanche" for Christofias and warned that if the talks produced an unacceptable solution plan, DIKO would pullout of the government.

GREENS WITHDRAW SUPPORT TO CHRISTOFIAS

- 15. (SBU) The Green Party announced on February 20 that it would no longer support the current Administration's "failed policies" on the Cyprus issue, as well on the economy, social issues, and the environment. The party, which garnered only 1.8% in the parliamentary elections of 2006, endorsed Christofias' candidacy in 2008 but proved to be a constant critic of his policy on the Cyprus negotiations. Reacting to the Greens decision, Government Spokesman Stephanos Stephanou said that "they lifted the support they never gave to the Government."
- 16. (C) COMMENT: DIKO's decision to remain in the government represents a cold, political calculation and was taken despite opposition to Christofias' negotiating efforts. The philosophical differences between AKEL and DIKO over how best to unite the divided island have, once again, merely been papered over. Despite mouthing support for a bizonal, bicommunal federal solution, DIKO strongly objects to any move that would make this a reality. Differences are bound, again, to resurface should the talks produce more progress.

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